



*United States Attorney
District of New Jersey*



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**TWENTY-EIGHT CHARGED IN COORDINATED MORTGAGE FRAUD
TAKEDOWN IN NORTHERN NEW JERSEY**

Defendants from Eight Counties Allegedly Attempted to Defraud Lenders out of \$5.5 Million

NEWARK, N.J. – Nine criminal Complaints unsealed today charged 28 individuals with participating in various mortgage fraud scams that collectively sought to defraud lenders out of more than \$5.5 million and involved more than 17 New Jersey properties, U.S. Attorney Paul J. Fishman and Federal Bureau of Investigation Special Agent in Charge Michael B. Ward announced.

The charged defendants include 12 real estate agents; four investors; four mortgage consultants; three fraudulent document makers; two accountants; an appraiser; a bank employee; and a mortgage broker. Twenty-three of the defendants were arrested this morning as a result of a coordinated law enforcement investigation into mortgage fraud in northern New Jersey. Of the remaining defendants, one is in state custody on related charges, one is scheduled to self-surrender, and three remain at large.

The defendants arrested this morning are scheduled to appear before United States Magistrate Judge Patty Shwartz this afternoon at 2:00 p.m. in Newark federal court.

A 29th defendant, a fraudulent document maker involved in several of the charged scams, was previously charged by complaint with conspiracy to commit wire fraud and arrested on March 9, 2010. He has been in federal custody since his arrest.

According to the Complaints filed in these cases:

The defendants sought to obtain fraudulent mortgages for real estate transactions involving prospective purchasers who were not qualified to obtain the loans they were seeking. To do so, the defendants made, obtained, and presented to mortgage lenders documents that falsified the purported borrowers' employment, inflated their income and assets, and provided other fraudulent information. In some cases, those documents included fraudulent W-2 forms; pay stubs; employment verification letters; bank account statements; tax returns; addresses and telephone numbers for borrowers and purported employers; and identification documents such as driver's licenses and social security cards.

U.S. Attorney Paul J. Fishman stated: "These cases demonstrate just how pervasive the mortgage fraud problem is in New Jersey. Mortgage fraud is not limited to people who steal

millions at a time. It is more insidious. It is more pernicious. And it is more prevalent. Mortgage fraud is often done at a retail level, and involves many different people playing many different roles. No matter what your role, if you participate in this kind of scheme, you will be held accountable.”

FBI Special Agent in Charge Ward stated: “For decades, home ownership has been the American Dream, a way to establish roots in a community, build personal wealth, and secure a peaceful retirement,” said Michael B. Ward, Special Agent In Charge of the FBI’s Newark field office. “Mortgage fraud places this dream at risk. Today’s arrests do not signify the culmination of a single investigation, but rather serve as notice that law enforcement is aggressively pursuing mortgage fraud schemes in New Jersey. If you have information concerning mortgage fraud in our state, please do not hesitate to contact the FBI at 973-792-3000.”

The 29 defendants, listed on the attached chart by Complaint, range in age from 27 to 77 and live in eight of New Jersey’s 21 counties – Essex, Bergen, Union, Hudson, Burlington, Monmouth, Morris and Passaic. Some of the fraudulent schemes alleged in the Complaints involve loans issued in connection with the Federal Housing Administration (FHA), which is a division of the United States Department of Housing and Urban Development (HUD). The FHA encourages designated lenders to make mortgage loans to qualified borrowers by protecting against loan defaults through a government-backed payment guarantee. Other loans involved in the scheme are what is known as “conventional” mortgage loans, which lenders underwrite and fund using their own funds and credit lines. After funding the conventional mortgage loans, the lenders can either service the loans themselves during the mortgage loan period or sell the loans to institutional investors in the secondary market.

Each of the 28 defendants against whom charges were unsealed today is charged with one count of conspiring to commit wire fraud affecting a financial institution and one count of conspiring to commit bank fraud. Each count carries a maximum sentence of 30 years in prison and a maximum fine of \$1 million. One defendant, Roberta Ferreira is charged in two Complaints and faces an additional count each of wire fraud and bank fraud conspiracy.

United States v. Rodrigo Molina, et al., Mag. No. 10-3127 (PS)

This Complaint charges four individuals: Rodrigo Molina, a licensed real estate agent; Domingo Fuentes, an investor who owned multiple companies he used to purchase real estate properties; Manuel Salgado, an accountant with a purported tax-filing service; and Vilma Dacruz, a bank employee. The defendants provided a loan officer with false W-2 Forms, tax returns, utilities statements, and bank statements, as well as a fraudulent driver’s license and social security card. Among other things, Molina and Fuentes provided fraudulent employment and wage documents, Salgado provided false tax returns, and Dacruz provided a false letter purportedly issued by her employer, a major bank, with false balance information on an account that did not exist.

United States v. Eugenio Mendes, Mag. No. 10-3128 (PS)

Eugenio Mendes, a licensed real estate agent, obtained fraudulent documents, including W-2s, pay stubs, bank statements, and copies of a driver's license and social security card, all of which he used in an effort to obtain mortgages to which he was not entitled. Mendes procured these documents from co-conspirator Jairo Nunes, a document maker previously charged in a separate Complaint (Mag. No. 10-8033), from whom Mendes had obtained fraudulent documents for approximately five years. One of the purported borrowers whose identity Mendes used to obtain a mortgage loan was an illegal alien. A search of Nunes' home on March 9, 2010, revealed a thumb drive that contained a folder labeled "DOCUMENTOS EUGENIO," which contained some of the fraudulent documents that Mendes had provided to obtain mortgage loans.

United States v. Lucilene Guido, Mag. No. 10-3124 (PS)

This Complaint charges three individuals: Lucilene Guido, a real estate agent and former loan officer at a northern New Jersey mortgage company; Roberta Ferreira, a licensed real estate agent registered with a Riverside, New Jersey, realty company; and Genilza Nunes, a licensed real estate agent registered with the same realty company, but working out of a Newark, New Jersey office. The defendants obtained false bank statements and identification documents from Jairo Nunes, who produced the documents at their request. Genilza Nunes produced additional fraudulent documents, including W-2s, tax returns, and false pay stubs purportedly from a New Jersey trucking company, and verified a prospective borrower's employment via telephone. Defendants sent Jairo Nunes detailed instructions regarding changes to the fraudulent bank statements he had created so they could ensure the loan would proceed without a snag. During a search of Genilza Nunes' office, law enforcement officers found a telephone labeled with the name of the fictitious trucking company, as well as other telephones labeled with the names of other non-existent companies.

United States v. Rogerio Silva, et al., Mag. No. 10-3130 (PS)

Rogerio Silva and Rui Talaia were licensed real estate agents and brokers of record at separate realty companies located in Riverside and Kearny, New Jersey, respectively. These individuals worked with Jairo Nunes to obtain documents that he created at their request, including false employment and income verification and bank account documents. The fraudulent documents, in the name of a purported buyer of real estate, included W-2s, pay stubs, a fraudulent bank verification letter, and bank statements. Relying on these documents, the victim bank transferred approximately \$455,534 to New Jersey for the defendants' benefit. Only one mortgage payment was made, on a mortgage now in default. The defendants used additional false documents in an effort to obtain more loans. The search of Jairo Nunes' home revealed a thumb drive that contained a folder labeled "ROGERIO" and included some of the fraudulent documents that Silva and Talaia had provided in an attempt to get the fraudulent loans.

United States v. Joelma Graca, Mag. No. 10-3129 (PS)

Joelma Graca, a real estate agent in Newark, and John Malheiro, a mortgage loan officer for two different New Jersey mortgage companies, sought mortgage loans via fraudulent bank statements, pay stubs, W-2s, and a loan application. For example, one buyer worked at a paint company but was not earning enough to qualify for a mortgage loan so they instead claimed he worked at a consulting firm. Per their respective roles in the scheme, Graca identified the prospective borrowers and Malheiro located the properties to be purchased.

United States v. Viviane Bernardim, Mag. No. 10-3126 (PS)

This Complaint charges eight individuals: Viviane Bernardim, a mortgage consultant; Theresa Dattalo, a mortgage loan officer, real estate agent and owner of a title company; Matthew DiBenedetto, a licensed appraiser and broker of record for a Newark real estate agency; Genady Macedo, a real estate agent; Sarah Santos, a mortgage consultant; Ioneides Sousa, a real estate investor; Iodete Pereira, who assisted in transactions; and Jorge Toledo, a real estate agent. The defendants obtained false documents from Jairo Nunes and used false W-2s, pay stubs and bank statements, as well as tax returns, to fraudulently obtain mortgage loans. A co-conspirator described one document maker involved in the scheme as a “broker of identities” for more than 30 years, who bought identities from people who were leaving the U.S. and sold them to others. The Complaint also alleges that another co-conspirator described some of their current loan transactions as having been “put together with spit.”

United States v. Simone Fernandes, Mag. No. 10-3131 (PS)

Simone Fernandes obtained fraudulent documents created by Jairo Nunes – including pay stubs, W-2s, bank statements, tax returns, and copies of a driver’s license and social security card – and submitted these documents in support of a fraudulent loan application. When the loan officer expressed amazement at the quality and thoroughness of the documents Fernandes and Jairo Nunes had provided, they both told the loan officer that they once had spent an entire day at the computer thinking of all aspects of a real estate transaction for which they could create false documents. The search of Jairo Nunes’ home revealed a thumb drive that contained a folder labeled “SIMONE,” which contained numerous false documents that Jairo Nunes had created for Fernandes. Fraudulent documents were found in the “SIMONE” folder pertaining to at least 14 additional individuals.

United States v. Edivaldo dos Santos, Mag. No. 10-3125 (PS)

This Complaint charges six defendants: Edivaldo Dos Santos, a former loan officer holding himself out as a mortgage consultant; Roberta Ferreira (also charged in the United States v. Lucilene Guido et al. Complaint); Ricardo Muniz, employed in the construction industry; Faye Cargill-Flores, a certified public accountant in Morristown, New Jersey; Maria Lourdes Sousa, who worked in the healthcare industry and lived in Paterson, New Jersey; and Rosa Damasceno,

the owner of a Newark company that provided tax services and driver education in Belleville. Muniz sought to obtain property and cash back at closing, and the co-conspirators provided falsely inflated income information regarding Muniz to help him get the loan. Sousa made false pay stubs and her sister, Damasceno, made false W-2s and tax returns. The defendants provided the false documents to a loan officer in an effort to obtain a mortgage to which they were not entitled.

United States v. Raquel Berger, Mag. No. 10-3132 (PS)

Raquel Berger, a real estate agent and the broker of record and franchise owner of a realty company in Hillside, New Jersey, and Cesar DeSouza, who operated an accounting and tax preparation business in Newark, obtained fraudulent documents made by Damasceno (DeSouza's wife) in support of unqualified borrowers in order to obtain mortgage loans to which they were not entitled. To increase their chance of getting a loan approved, they prepared amended, false tax returns that fraudulently inflated the borrower's stated earnings.

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This case was prosecuted as part of the District of New Jersey's Mortgage Fraud Task Force (MFTF), which was formally started in 2008, and was among the first such FBI-funded task forces in the country.

U.S. Attorney Fishman praised agents of the FBI, under the direction of Special Agent in Charge Michael B. Ward in Newark, and the Hudson County Prosecutors Office, under the direction of Prosecutor Edward J. De Fazio, for their work leading the investigation of this case. He also credited the other members of the MFTF, including the U.S. Department of Housing and Urban Development Office of Inspector General, the Internal Revenue Service, the United States Secret Service, and United States Postal Inspection Service for their important contributions to the investigation. Fishman also thanked the Department of Homeland Security's Customs and Border Protection and U.S. Citizenship and Immigration Services; the U.S. Social Security Administration; and the New Jersey Attorney General's Office for their assistance.

The cases are being prosecuted by Assistant U.S. Attorneys Mark Coyne, Christine Magdo and Robert Marasco of the United States Attorney's Office Economic Crimes Unit.

The charges and allegations contained in the Complaints are merely accusations, and the defendants are considered innocent unless and until proven guilty.

This case was also brought in coordination with President Barack Obama's Financial Fraud Enforcement Task Force. President Obama established the interagency Financial Fraud Enforcement Task Force to wage an aggressive, coordinated, and proactive effort to investigate and prosecute financial crimes. The task force includes representatives from a broad range of federal agencies, regulatory authorities, inspectors general, and state and local law enforcement

who, working together, bring to bear a powerful array of criminal and civil enforcement resources. The task force is working to improve efforts across the federal executive branch, and with state and local partners, to investigate and prosecute significant financial crimes, ensure just and effective punishment for those who perpetrate financial crimes, combat discrimination in the lending and financial markets, and recover proceeds for victims of financial crimes.

DEFENDANT (by Complaint)	AGE	RESIDENCE	ROLE
<u>Mag. No. 10-3127</u>			
Rodrigo Molina	56	Belleville, NJ	Real Estate Agent
Domingo Fuentes	77	Bloomfield, NJ	Investor
Manuel Salgado	73	Newark, NJ	Document maker
Vilma Dacruz	45	No. Arlington, NJ	Bank employee
<u>Mag. No. 10-3128</u>			
Eugenio Mendes	49	Cranford, NJ	Real Estate Agent
<u>Mag. No. 10-3124</u>			
Lucilene Guido, a/k/a Lucilene Da Silva Rios, a/k/a Lucy Guido	31	Kearny, NJ	Real Estate Agent (and former loan officer)
Roberta Ferreira	27	Kearny, NJ	Real Estate Agent
Genilza Nunes, a/k/a Geane Nunes	36	Kearny, NJ	Real Estate Agent / Document maker
<u>Mag. No. 10-3130</u>			
Rogério Silva	44	Riverside, NJ	Real Estate Agent / Document maker
Rui Talaia	46	Rutherford, NJ	Real Estate Agent

<u>Mag. No. 10-3129</u>			
Joelma Graca	43	Newark, NJ	Real Estate Agent
John Malheiro	35	Little Ferry, NJ	Mortgage broker
<u>Mag. No. 10-3126</u>			
Viviane Bernardim, a/k/a Viviane Bernardin, a/k/a Viviane Pereira	33	Aberdeen, NJ	Mortgage consultant
Theresa Dattalo	53	Randolph, NJ	Real Estate Agent / Mortgage broker / Title agent
Matthew DiBenedetto	66	Freehold, NJ	Appraiser
Genady Macedo	40	Newark, NJ	Real Estate Agent
Iodete Pereira	51	Elizabeth, NJ	Investor
Sarah Santos	29	Newark, NJ	Mortgage consultant
Ioneides Sousa	49	Newark, NJ	Investor
Jorge Toledo, a/k/a Vinny Toledo	29	Aberdeen, NJ	Real Estate Agent
<u>Mag. No. 10-3131</u>			
Simone Fernandes	32	Hillside, NJ	Mortgage consultant
<u>Mag. No. 10-3125</u>			
Edivaldo dos Santos, a/k/a Eddie Dos Santos	52	Harrison, NJ	Mortgage consultant
Roberta Ferreira	27	Kearny, NJ	Real Estate Agent
Ricardo Muniz	39	Newark, NJ	Investor

Faye B. Cargill-Flores, a/k/a Faye Flores	48	Morristown, NJ	Certified Public Accountant / document maker
Maria Lourdes Sousa, a/k/a Lourdes Sousa	57	Paterson, NJ	Document maker
Rosa Damasceno	59	Belleville, NJ	Accountant / document maker
<u>Mag. No. 10-3132</u>			
Raquel Berger	41	Union, NJ	Real Estate Agent
Cesar DeSouza, a/k/a Geraldo DeSouza	55	Belleville, NJ	Document maker
<u>Mag. No. 10-8033</u>			
Jairo Nunes (arrested 3/9/10)	34	Newark, NJ	Document maker

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